

NOTICE

NOTICE is hereby given that the **8th ANNUAL GENERAL MEETING** of the Shareholders of **SHUBHAM POLYSPIN LIMITED** will be held as under:

Date	: 28 th September, 2020
Day	: Monday
Time	: 11.00 A.M.
Place	: At the Registered Office of the Company at: Block No. 748, Saket Industrial Estate, Nr. Kaneria Oil Mill, Jetpura- Basantpura Road, Borisana, Tal-Kadi Dist:-Mehsana-382728

to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt audited financial statements of the Company for the financial year 2019-20 and to pass the following resolution, with or without modification, as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** audited financial statements of the Company for the financial year 2019-20 comprising of Balance Sheet as on 31st March, 2020 and the Profit and Loss Statement for the Financial year ended on 31st March, 2020 together with all annexure and attachment thereto including the Directors’ Report and Auditors’ Report thereon, which have already been circulated to the Members and as laid before this meeting, be and the same are hereby approved and adopted.”

2. To appoint a Director in place of Mr. Ankit A. Somani (DIN: 05211800), who retires by rotation and, being eligible, offers himself for re appointment and to pass following resolution, with or without modification, as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** the retiring Director, Mr. Ankit A. Somani (DIN: 05211800), be and is hereby reappointed as a Director of the Company, liable to retire by rotation.”

3. To consider and if thought fit to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION**:

TO INCREASE THE AUTHORISED SHARE CAPITAL:

“**RESOLVED THAT** pursuant to the provisions of Sections 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, and in accordance with the provisions of the Articles of Association of the Company, the consent of the members of the Company, be and is hereby accorded to increase the Authorized Share Capital of the Company from existing Rs. 6,01,00,000 (Rupees Six Crores One Lakh Only) divided into 60,10,000 (Sixty Lakhs Ten Thousand) Equity Shares of face value of Rs. 10/- each to Rs. 12,01,00,000 (Rupees Twelve Crores One Lakh Only) divided into 1,20,10,000 (One Crore Twenty Lakhs Ten Thousand) Equity Shares of face value of Rs. 10/- each by creation of additional 60,00,000 (Sixty Lakhs) Equity Shares of face value of Rs. 10/-each ranking pari passue in all respect with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 13, 61, 64 and other applicable provisions, if any of the Companies Act, 2013 and the Rules framed thereunder, the consent of the members of the Company, be and is hereby accorded for substituting Clause V of the Memorandum of Association of the Company with the following clause.

V. The Authorised Share Capital of the Company is Rs. 12,01,00,000/- (Rupees Twelve Crores One Lakh Only) divided into 1,20,10,000/- (One Crore Twenty Lakhs Ten Thousand) Equity Shares of Rs. 10/- (Rs. Ten Only) each.

RESOLVED FURTHER THAT any one of the Director be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to aforementioned resolution.”

4. To consider and if thought fit to pass with or without modification, the following resolution as a **SPECIAL RESOLUTION**:

ISSUE OF BONUS SHARES:**“RESOLVED THAT-**

- i. pursuant to Section 63 of the Companies Act, 2013 and other applicable provisions, if any, including Rules made thereunder, Article 71 of the Articles of Association of the Company and provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 and other applicable laws, rules, regulations, etc., if any and subject to such consents and approvals as may be required from the appropriate authorities, the consent of the shareholders be and is hereby accorded to capitalize a sum of Rs. 5,51,00,000/- (comprising of Rs. 4,50,00,000 from the Securities Premium Account and Rs. 1,01,00,000 from the Credit balance of the Profit & Loss Account) for distribution among the holders of existing fully paid equity shares of Rs. 10/ each of the Company, whose names will appear in the Register of Members/Beneficial Owners’ of the Company on Record Date to be decided by the Board of Directors for this purpose, as an increase of the nominal amount of the equity share capital of the Company held by each such shareholder, and not as income or in lieu of dividend, credited as 55,10,000 new fully paid equity shares of Rs. 10/- each as bonus shares in the proportion of 1 (one) new equity bonus share of Rs. 10/-each for every 1 (one) existing fully paid equity share of Rs. 10/- each held.

- ii. the new equity bonus shares of Rs. 10/-each to be allotted and Issued as bonus shares shall be subject to the terms of Memorandum & Articles of Association of the Company and shall rank pari passu in all respects with and carry the same rights as the existing fully paid equity shares of the Company and shall be entitled to participate in full in any dividend(s) to be declared after the bonus shares are allotted.
- iii. no letter of allotment shall be issued to the allottees of the new equity bonus shares and the share certificate(s) in respect of the new equity bonus shares shall be issued to shareholders holding shares in physical mode and dispatched to the allottees thereof within the period prescribed or that may be prescribed in this behalf, from time to time, except that the new equity bonus shares will be credited to the demat account of the allottees, who hold the existing equity shares in electronic form.
- iv. the allotment of the new equity bonus shares and payment in respect of fractional entitlement, if any, to the extent that they relate to non-resident members of the Company, shall be subject to the approval, if any, of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 or and other applicable laws, rules, regulations, etc., if any as may be deemed necessary.
- v. the Board shall not issue any certificate or coupon in respect of fractional shares, if any, but the total number of such new equity shares representing such fractions shall be allotted by the Board to a nominee(s) to be selected by the Board, who would hold them as trustee(s) for the equity shareholders who would have entitled to such fractions. Such nominee(s) will as soon as possible sell such equity shares at the prevailing market rate and the net sale proceeds of such shares, after adjusting/ deducting the cost and expenses in respect thereof, be distributed among such members who are entitled to such fractions in proportion of their respective holding and allotment of fractions thereof.
- vi. the Board or such other authority as approved by the Board be and is hereby authorized to take necessary steps for Listing of such Bonus Shares on the Stock Exchanges where the equity shares of the Company are listed, in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Guidelines, Rules and Regulations.

for the purpose of giving effect to the aforesaid resolutions, the Board/ Committee of the Board be and are hereby authorized to do all such acts, deeds, matters and things whatsoever, Including settling any question, doubt or difficulties that may arise with regard to or in relation to the issue or allotment of the bonus shares and to accept on behalf of the Company, any conditions, modifications, alterations, changes, variations in this regard as prescribed by the statutory authority(ies) and which the Board/Committee of the Board in its discretion thinks fit and proper.”

Registered Office:

Block No. 748, Saket Industrial Estate,
Nr. Kaneria Oil Mill, Jetpura- Basantpura Road, Borisana,
Tal-Kadi Dist:-Mehsana-382728
Date: 3rd September, 2020
CIN: L17120GJ2012PLC069319

By Order of the Board,
sd/-

Anil D. Somani
(DIN: 06373210)
Chairperson & Managing Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAT 48 HOURS BEFORE THE TIME OF MEETING.**
2. **A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.**
3. Pursuant to the Regulation 42 of SEBI (LODR) Regulations, 2015 and section 91 of the Companies Act, 2013, Register of Members and Shares Transfer Books of the Company will remain closed from Monday, 21st September, 2020 to Monday, 28th September, 2020 (both days inclusive).
4. Members intending to require information about accounts at the meeting are requested to write to the Company at least 10 days in advance of the Annual General Meeting.
5. Shareholders holding shares in dematerialized form should communicate the change of address, if any, to their Depository Participant and other who hold shares in physical form should communicate the change of address, to the Registrar and Share Transfer Agent of the Company at the following address:

Link Intime India Pvt. Ltd. [Unit: **Shubham Polyspin Ltd.**]
5th Floor, 506 to 508, Amarnath Business Centre – 1 (ABC-1),
Beside Gala Business Centre,
Nr. St. Xavier's College Corner,
Off C. G. Road, Ellisbridge, Ahmedabad – 380006.

6. As a matter of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Therefore, Members are requested to bring their copies at Annual General Meeting.
7. Members/Proxies should bring their attendance slip duly filed in for attending the meeting.
8. The Notice of the 8th AGM along with the attendance slip and proxy form are being sent by electronic mode to all the members whose email addresses are registered with Company/ Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
9. The Company, being listed on SME Exchange and in view of provisions of Rule 20 of the Companies (Management and Administration) Rules, 2014 is not required to provide remote e-voting facility to its members.
10. Additional information pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial Standard on General Meeting (SS-2) notified under the Companies Act, 2013 in respect of the directors seeking appointment/reappointment at the AGM are furnished and annexed to the notice.

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all material facts regarding to the business mentioned under Item Nos. 3 and 4 of the accompanying notice convening the Annual General Meeting:

ITEM NO. 3:

The existing Authorised Capital of the Company is Rs. 6,01,00,000/- (Rupees Six Crores One Lakh Only) comprising of 60,10,000 Equity Shares of face value of Rs. 10/- each. In view of proposed bonus issue and future need for increase of capital etc., it would be necessary to increase the said Authorised capital to Rs. 12,01,00,000 (Rupees Twelve Crores One Lakh only) comprising of 1,20,10,000 Equity shares of face value of Rs. 10/- each. .

Section 61 of the Companies Act, 2013, provides that a limited company having a share capital may, if so authorized by its Articles of Association, with the consent of its members in its general meeting, alter the conditions of its Memorandum of Association so as to increase its share capital by such amount as it thinks expedient by issuing new shares.

Article 6 of the Articles of Association empowers that the Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.

In view of this, the Company proposes to increase the existing authorised equity capital from Rs. 6,01,00,000/- (Rupees Six Crores One Lakh Only) comprising of 60,10,000 Equity Shares of face value of Rs. 10/- each to Rs. 12,01,00,000 (Rupees Twelve Crores One Lakh only) comprising of 1,20,10,000 Equity shares of face value of Rs. 10/- each.

The proposed increase in Authorised Capital will consequently require alteration in Capital clause V of Memorandum of Association.

The Ordinary resolution is therefore proposed at item no. 3 of the notice to increase the Authorised Share Capital of the Company and the notice for making necessary alterations in Capital clause V of Memorandum of Association.

The Directors recommend these Resolutions at Item No. 3 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this Resolution.

ITEM NO. 4:

With a view to increase the market capitalization of the Company and also improve the liquidity and considering the financial parameters and the position of reserves of the Company, the Board of Directors of the Company at its meeting held on 3rd September, 2020, has considered and approved the Bonus shares in the ratio of 1 equity shares against 1 equity shares held by the members as on the record date by capitalizing an amount not exceeding Rs. 5,51,00,000/- from the credit balance of Securities premium accounts to the extent of Rs. 4,50,00,000/- and credit balance of Profit and Loss Account to the extent of Rs. 1,01,00,000/-.

The present Authorized Share Capital of the Company is Rs. 6,01,00,000/- out of which share capital of Rs. 5,51,00,000/- is paid-up. The balance in the securities premium account of Rs. 4,50,00,000/- is available for capitalization. There is balance of Rs. 3,06,95,000/- to the credit of profit and loss account as on 31st March, 2020 which is also available for capitalization. To

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capitalize, securities premium account and a portion of the amount available to the credit of profit and loss account, your Board in its meeting held on 3rd September, 2020 recommended issue of Bonus Shares in proportion of 1 (one) equity share for every 1 (three) existing equity shares held by the members on Record Date to be fixed later on in this behalf by the Board of Directors of the Company for capitalizing a sum of Rs. 5,51,00,000/- from Securities premium account (to the extent of Rs. 4,50,00,000/-) and Credit balance of Profit and Loss Account (to the extent of Rs. 1,01,00,000/-) as per the books of accounts of the Company and the same is proposed to be applied in issuing 55,10,000 fully paid up bonus equity of Rs. 10/- at par.

The proposed issue of bonus shares will be made in line with the provisions of Section 63 of the Companies Act 2013, the Securities & Exchange Board of India (SEBI) Rules and Regulations and subject to such approvals, if required, from the statutory authorities. As per Articles of Association of the Company, it is necessary to obtain the approval of the shareholders for issue of bonus shares by capitalization of reserves.

Further, it is necessary to authorize the Board of Directors/Committee of the Board of the Company to complete all the regulatory formalities prescribed by the SEBI, the Stock Exchanges on which the Company's securities are listed and any other regulatory authority in connection with issue and allotment of Bonus Equity Shares.

The Board recommends the Special Resolution as set out at Item No. 4 in the accompanied Notice for approval of members of the Company.

No Directors, Key Managerial Personnel and/or their relatives, is/are interested or concerned, financially or otherwise in the resolution except as may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Company.

Details of Director Seeking Appointment/Re-appointment at the Annual General Meeting

Particulars	Mr. Ankit A. Somani (DIN: 05211800)
Date of Birth	01/08/1989
Date of the first Appointment on the Board	12/03/2012 (Since Incorporation)
Qualification	MBA
Expertise in Specific functional areas	Production, Planning, Sales and Marketing
Directorships held in other Companies	Nil
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	<ul style="list-style-type: none"> - The term of appointment of Managing Director shall be three years w.e.f 1st September, 2019 - A Salary of Rs. 50,000/- per month plus perquisites with liberty to the Board to increase or decrease the salary within the limits laid down in Schedule V of the Companies Act, 2013.
Number of Board Meetings attended during the year	5 (Five)
Memberships/ Chairmanships of committees of Board of Directors of Company	1 (one)
Memberships/ Chairmanships of committees of Board of Directors of other Companies in which he is director	Nil
Number of shares held in the Company	18,27,000 Equity shares
Disclosure of relationship between directors inter-se	Mr. Anil D. Somani is father of Ankit A. Somani and Akshay A. Somani is brother of Ankit A. Somani

Registered Office:

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 Nr. Kaneria Oil Mill, Jetpura- Basantpura Road, Borisana,
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Date: 3rd September, 2020
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By Order of the Board,
sd/-

Anil D. Somani
(DIN: 06373210)
Chairperson & Managing Director